

## **REMARKS**

In response to the above-noted Office Action, Applicant has amended Claim 17 as suggested by the Examiner to overcome the rejection of Claim 17 under 35 U.S.C. 112, second paragraph.

The Examiner's indication of allowability of Claims 2, 4, 10-14 and 16 is appreciated. However, with respect to the rejection of Claims 1, 3, 5-7 and 9 under 35 U.S.C. 103 as being unpatentable over Alcorn et al., in view of Weiss and Barrett et al., Applicant submits that the combination of references cited by the Examiner do not render the rejected claims obvious. Accordingly, reconsideration and withdrawal of the rejection of the claims under 35 U.S.C. 103 is requested in view of the following.

It is asserted in the Office Action that Claims 1-3, 6-9, 17-19, 22-23 and 29-40 are rejected in the Office Action under 35 U.S.C. § 103(a), as being unpatentable over U. S. Patent No. 5,311,079 issued to Ditlow in view of U.S. Patent Application No. 6,492,835 issued to Shau ("Shau"). Applicant respectfully traverses the aforementioned rejection for the following reasons.

According to MPEP § 2142 "[t]o establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure." (In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991)). Further, according to MPEP § 2143.03, "[t]o establish prima facie obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. (In re Royka, 490 F.2d 981, 180 USPQ 580 (CCPA 1974))." "*All words in a claim must be considered in judging the patentability of that claim against the prior art.*" (In re Wilson, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970), emphasis added.)

The present invention is directed to a verification system and method to verify the location of a user who is using a local computer to access a remote host computer. The purpose of the invention is to prevent the user from operating the local computer remotely from another location. As best seen in Figure 1, the present invention utilizes a system, referred to as verification system which is adapted for connection to a local computer, the local computer being the device which sends and receives data over a network to the remote host computer.

Alcorn et al. is similar in that GPS Receiver 20 performs some of the same functions as Applicant's peripheral hardware device 11. However, the key pad in Alcorn's GPS Device 20 is used for entry of a user PIN, and as noted by the Examiner, Alcorn et al. has no mechanism for receiving key sequence information from the remote host computer to be entered by the user using the key pad.

The Examiner relies upon the teachings of Weiss to provide the missing elements.

However, the system disclosed by Weiss is for providing a mechanism to ensure that a user is authenticated before allowing access to a network. That is, the identify of the user is authenticated at a local terminal before the user is provided access to the network. For example, at page 107 it is stated that after a correct password is entered:

"the terminal displays a challenge code. The code is then entered into the device. An encryption button of the device is pressed by the user, and the device then encrypts and displays a response. The user then types the response into the terminal. If the encryption is correct, the user has proved that he or she knows something secret and possesses a discrete token, and will be able to encrypt the data. Identity is authenticated and access is allowed."

Accordingly, Applicant submits that there is no teaching or suggestion in Weiss to utilize the challenge/response mechanism which it teaches in an environment where a key sequence to be entered by a user is generated by a remote host computer which is then entered by a user at a local key pad and then transmitted back to the host computer. In other words, combining the teachings of Weiss and Alcorn et al. would not yield the present invention as defined in rejected independent Claims 1 and 3 since Alcorn et al. contains no teachings whatsoever concerning a challenge/response system, and the challenge/response system taught by Weiss contains no

teachings or suggestions for issuing a challenge from a remote host computer since the whole purpose of Weiss is to prevent user access to the network until after authentication has been completed. Accordingly, Applicant submits that the combination of Alcorn et al. and Weiss does not teach or suggest “receiving key sequence information from said remote host computer” as required by Claims 1 and 3.

The teachings of Barrett et al. were relied upon for their teaching of providing a time limit for entering a password. However, since Barrett et al. also does not provide the teaching or suggestion of receiving key sequence information from a remote host computer, its teachings in combination with Alcorn et al. and Weiss do not result in the invention as claimed by Applicant.

Accordingly, reconsideration and withdrawal of the rejection of Claims 1, 3, 5-7 and 9 under 35 U.S.C. 103 is requested.

Dependent Claim 17 is also rejected under 35 U.S.C. 103 as being unpatentable over Weiss in view of Alcorn, Applicant submits it is also patentably distinguishable over the two references since Claim 17 includes the step of “transmitting key sequence information to said remote computer for use by said remote computer and said verification system” which is missing from the Weiss/Alcorn combination for the reasons discussed above.

Regarding the rejection of the remaining dependent Claim 8 under 35 U.S.C. 103 as being unpatentable over Alcorn in view of Weiss and Barrett and further in view of Rudisill, and dependent Claim 15 as being unpatentable over Alcorn in view of Weiss and Barrett and further in view of Dempsey et al., since Rudisill was cited for its teaching of providing back lighting of key pads on devices and Dempsey was relied upon for its teaching of event logs, neither reference teaches or suggests the missing elements noted above. Accordingly, Applicant submits that such claims are also patentable over the prior art of record.

In view of the foregoing, reconsideration and withdrawal of the rejection of the claims under 35 U.S.C. 112, second paragraph and under 35 U.S.C. 103 is requested and an early allowance of pending claims 1-17 is requested.

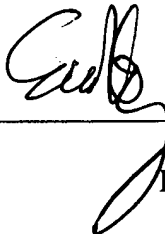
If there are any fees due in connection with the filing of this response, please charge those fees to our Deposit Account No. 02-2666. If a telephone interview would expedite the prosecution of this Application, the Examiner is invited to contact the undersigned at (310) 207-3800.

Respectfully submitted,

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Dated: September 3, 2004

By: \_\_\_\_\_

  
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Linda Marie D'Elia

9/3/04  
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ESH/lmd